United Nations S/2004/1039

Security Council

Distr.: General
31 December 2004

Original: English

Letter dated 31 December 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities addressed to the President of the Security Council

I have the honour to transmit herewith the report of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities (see annex), which was adopted by the Committee under the no-objection procedure on 28 December 2004 and is being submitted in accordance with the note by the President of the Security Council of 29 March 1995 (S/1995/234).

(*Signed*) Heraldo **Muñoz**
Chairman
Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

05-21530 (E) 260105

Annex

Report of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

I. Introduction

1. The purpose of the present report is to present a factual summary of the Committee's activities during the period from 1 January to 31 December 2004, in accordance with the transparency measures outlined by the President of the Security Council in his note of 29 March 1995 (S/1995/234). The last annual report of the Committee was submitted on 2 April 2004 (S/2004/281).

II. Background information

2. Following consultations among the members of the Security Council, the Council, on 8 January 2004, agreed to elect the bureau of the Committee for 2004. Ambassador Heraldo Muñoz (Chile) was re-elected as Chairman and the delegations of Romania and Spain were elected as the two Vice-Chairmen (see S/2004/4).

3. On 30 January 2004, the Security Council unanimously adopted resolution 1526 (2004), by which it created a new, more demanding conceptual and substantive framework for future activities of the Committee on a longer, 18-month, basis. Although the resolution did not introduce any new mandatory measures, it clearly defined the mandatory sanctions measures, namely, the freezing of financial assets, the travel ban and the arms embargo, to be applied by States with respect to Osama bin Laden, members of the Al-Qaida organization, the Taliban and other individuals and entities associated with them as referred to in the Committee's list. The resolution also introduced a number of other measures with the aim of assisting Member States to enhance their counter-terrorism efforts.

4. The Security Council, in paragraph 6 of the resolution, established, for a period of 18 months, an eight-member New York-based Analytical Support and Sanctions Monitoring Team under the direction of the Committee. The resolution thus strengthened the central role of the Committee in monitoring and assessing information for the Council's review regarding the effectiveness of the measures, as well as in recommending improvements to the existing measures. Outlining the main responsibilities of the Monitoring Team in an annex to the resolution, the Security Council introduced more clarity with regard to the basic relationship between the Committee and the established monitoring body. The Council, in paragraphs 10 and 11 of the resolution, emphasized the need for dialogue between the Committee and Member States. The meetings with Member States and the visits to selected States mandated in those paragraphs were designed to achieve further progress in the implementation of sanctions measures. The requirement that all States report to the Committee was not included in the new resolution. The Council requested, however, in paragraph 22 of resolution 1526 (2004), that States that had not yet reported under resolution 1455 (2003) should do so. The resolution maintained the requirement for frequent reporting by the Chairman of the Committee on the work of the Committee and the Monitoring Team. It also

reiterated the need for close coordination and exchange of information between the Committee and the Counter-Terrorism Committee.

III. Summary of the activities of the Committee

5. During the reporting period, the Committee held 3 formal and 36 informal meetings at the expert level. The Committee continued its practice of holding primarily informal meetings. Early in February, the Committee endorsed its programme of work, based on resolution 1526 (2004), and the list of main issues to be discussed at informal meetings of the Committee. In April, the Committee approved a very detailed annual report containing information about the Committee's main activities in 2003 (S/2004/281).

6. Shortly after the adoption of resolution 1526 (2004), on 18 February, the Chairman briefed all Member States in great detail about the most important aspects of that resolution. The briefing was well attended, as representatives of 70 States showed their interest in the newly adopted resolution and the work of the Committee.

Establishment of focal points

7. The Committee has established a list of focal points similar to the list used by the Counter-Terrorism Committee. Such a list allows the Committee secretariat to automatically inform the competent government officials of Member States of amendments to the list immediately following their approval, as requested in paragraph 19 of resolution 1526 (2004). The contact list became operational by the end of 2004 and contains more than 300 contact points.

Non-reporting States

8. Pursuant to paragraph 23 of resolution 1526 (2004), the Committee, on 26 April, approved a report containing the list of those States that had not, by 31 March 2004, submitted either their report pursuant to paragraph 6 of resolution 1455 (2003) or an analytical summary of the reasons put forward for non-reporting pursuant to paragraph 22 of resolution 1526 (2004) (S/2004/349). The Chairman of the Committee introduced the report to the Security Council at its informal consultations on 27 April.

Exceptions under resolution 1452 (2002)

9. The Committee continued to consider notifications and/or requests made pursuant to resolution 1452 (2002) on an expedited basis. The Committee also maintains and regularly updates a list of notifying States. During the reporting period, the Committee received notification from 11 States on behalf of individuals seeking exceptions to the sanctions measures in accordance with paragraphs 1 (a) and (b) of resolution 1452 (2002). This was an increase in comparison with 2003, but the sums notified were quite low and five notifications came from the same State.

Non-mandatory measures contained in resolution 1526 (2004)

10. In several meetings in June, the Committee discussed a non-paper presented by the Chairman on non-mandatory measures contained in resolution 1526 (2004). In that connection, it was recognized that the resolution had introduced a number of measures that, while not obligatory, were nevertheless important for the overall implementation of the sanctions measures by States as they could provide inspiration on how to enhance their counter-terrorism measures. When considering in detail the non-mandatory measures, the Committee realized that some of them might in the future be developed into legally binding provisions, if appropriate and necessary.

Revision of the Committee guidelines

11. The Committee spent a considerable amount of time and effort revising the guidelines for the conduct of its work. The previous set of the guidelines, adopted in 2002, did not cover major developments introduced by the Security Council in resolutions 1455 (2003) and 1526 (2004). The Committee focused on amending the guidelines so that they could serve as a tool for rationalizing its own work and providing guidance to Member States in their implementation efforts.

Written assessment pursuant to resolution 1455 (2003)

12. In order to comply with its obligation under paragraph 15 of resolution 1455 (2003), the Committee approached the Monitoring Team with a request for assistance in providing an analysis of all States' reports received pursuant to resolution 1455 (2003). The analysis was provided to the Committee on 15 October and the Committee found it to be a valuable source of information, allowing it to come to its own conclusions. These have been reflected in the assessment submitted to the Council in December (S/2004/1037), to which the entire analysis of the Monitoring Team is attached. The Committee submitted the assessment with the expectation that such a document would serve as feedback for Member States that had submitted their reports while becoming a source of inspiration for States that had not reported yet.

Special briefings

13. On 20 October, Professor Rohan Gunaratna, a world-renowned expert on the Al-Qaida network and head of terrorism research at the Institute for Defence and Strategic Studies in Singapore, made a presentation to the Committee. Professor Gunaratna focused on the evolution of Al-Qaida and other associated groups and stated that terrorists were learning from their failed operations and reinventing themselves in response to new security measures adopted by States. Professor Gunaratna also stressed that conflicts were the primary source of terrorism and it was important for the United Nations to make every effort to resolve long-lasting conflicts. With respect to non-conflict-based terrorism, he noted that it was important to build a counterweight to extremism through education and economic development.

14. On 4 November, at its 24th meeting, the Committee was briefed by the Secretary-General of Interpol, Ronald K. Noble, and the Special Representative of Interpol to the United Nations, Ulrich Kersten. The Chairman, supported by many members, expressed the hope that closer cooperation between the Committee and

Interpol would lead to closer working relations in such areas as the improvement of the quality of the Committee's list and the distribution of information on listed individuals and entities. With regard to the travel ban, Mr. Noble indicated that strengthening the communication system and gaining more information from Member States, including photos and biometric data, was an important element for increasing its efficiency Mr. Noble invited the Monitoring Team to visit Interpol headquarters to explore technical issues.

Recommendations contained in the first and the second reports of the Monitoring Team

15. Between 3 and 30 September, the Committee considered, in the presence of the Monitoring Team, the recommendations contained in the first report submitted by the Team (S/2004/679) with the aim of agreeing on possible follow-up action. The Committee concluded its consideration by categorizing the recommendations into the following categories: (a) seeking the improvement of the effectiveness of the sanctions measures and the work of the Committee and the Monitoring Team; (b) requiring further discussion based on the provision of legal and other expertise; and (c) requiring further discussion and/or development.

16. The recommendations contained in the second report will be considered by the Committee at the beginning of 2005 in conjunction with the recommendations contained in the first report of the Monitoring Team.

Improvements to the Committee's list and its dissemination

17. The Committee continued to update its consolidated list of individuals and entities belonging to or associated with Al-Qaida and the Taliban on the basis of relevant information provided by Member States. The list continued to be the key instrument for States to use in enforcing and implementing the arms embargo, the travel ban and the assets freeze against listed individuals and entities.

18. During the reporting period, from 1 January to 31 December 2004, the Committee decided to add the names of 29 individuals and 15 entities to its consolidated list and made 1 deletion (see appendix). Following each update, the Committee issued a press release, circulated a note verbale and e-mailed the changes in the list to Member States. In accordance with paragraph 19 of resolution 1526 (2004), the Secretariat transmitted a hard copy of the list on a quarterly basis for the convenience of Member States. During 2004, the list was transmitted three times (SCA/2/04 (14) of 20 April, SCA/2/04 (20) of 30 July, and SCA/2/04 (24) of 10 November). Starting on 10 November, the Committee introduced the numbering of amendments to the list that had been made in the calendar year for better follow-up on the changes introduced by Member States.

19. On 26 November, the Committee approved extensive technical corrections to the list based on the information provided by some States, which had been reviewed and processed by the Monitoring Team (SC/8259). The corrections concerned 1 individual on the Taliban section of the list, 52 individuals on the Al-Qaida section of the list and 10 entities on the Al-Qaida section of the list.

Coordination with the Counter -Terrorism Committee

20. The Chairman established and maintained direct contact with the Chairman of the Counter-Terrorism Committee with the aim of gaining greater appreciation for the work of each Committee and avoiding any overlap, especially with regard to visits undertaken at the levels of Chairmen and experts. Members of the Committee stressed on many occasions the complementary functions of the two committees and the permanent need for exchange of information between them.

IV. Monitoring Team

21. The Security Council, in paragraph 7 of its resolution 1526 (2004), requested the Secretary-General, upon adoption of the resolution and acting in close consultation with the Committee, to appoint, consistent with United Nations rules and procedures, no more than eight members, including a coordinator, of the Monitoring Team. The members should demonstrate one or more of the following areas of expertise related to activities of the Al-Qaida organization and/or the Taliban: counter-terrorism and related legislation; financing of terrorism and international financial transactions, including technical banking expertise; alternative remittance systems, charities and use of couriers; border enforcement, including port security; arms embargoes and export controls; and drug trafficking.

22. On 17 May, the Monitoring Team submitted its programme of work, which included travel to selected countries as well as participation in meetings convened at the regional and international levels. The Monitoring Team undertook several trips, the outcome of which is detailed in the first report (S/2004/679) and second report submitted to the Committee in accordance with paragraph 8 of Security Council resolution 1526 (2004).

23. The first report stated that, although key members of the Al-Qaida leadership were preoccupied with their own immediate problems of survival, the existence of the network no longer depended on its core leadership, nor did it translate into decreased potential for further attacks in both Muslim and non-Muslim States. The Team noted the existence of several "franchise" or "start-up" operations in which groups with little or no direct contact with the central leadership had become new Al-Qaida operatives and affiliates. The report made reference to Al-Qaida's use of the mass media as a means of reinforcing its presence and also its exploitation of the Internet to further its operations. The Monitoring Team also expressed its concern over the potential use of alternative remittance systems, such as hawala, the lack of universal regulations governing the trans-border movement of currency and the exploitation of charities and other non-profit organizations for the possible financing of terrorist activities.

24. The Monitoring Team noted that the reports submitted by Member States were currently the only indicator of their compliance with resolutions 1390 (2002) and 1455 (2003). While many States reported action taken against Al-Qaida, few offered specific details or referred directly to the names on the consolidated list. On the basis of those reports, the Team noted that the sanctions regime imposed by the Security Council had had a limited impact, most notably owing to the constantly evolving structure of the Al-Qaida network and the general rigidity of the instrument of the list to reflect those changes. In regard to the arms embargo, the Team reported that most Member States believed that they had achieved effective

implementation by incorporating the measures into existing legislation, however, most Al-Qaida-related attacks had involved arms and explosives not covered by such measures. Accordingly, the Team recommended adding to the Committee's list the names of individuals and entities supplying Al-Qaida-associated terrorists with material or expertise to construct weapons designed to cause mass casualties. With regard to the travel ban, its implementation appeared to have little or no effect on Al-Qaida-related activities, owing in particular to the lack of detail of many entries on the Committee's list and because Member States were unsure of what to do when a listed individual was stopped at a port of entry. The Team also noted the need for better international distribution of information on lost and stolen travel documents and the need for border control systems linked to databases that make the use of forged documents increasingly difficult.

V. Visits by the Chairman and members of the Committee to selected countries

25. The Chairman took several trips to selected countries during the year pursuant to paragraph 10 of resolution 1526 (2004). The Chairman also attended the Regional Ministerial Meeting on Counter-Terrorism, held on 4 and 5 February in Bali, Indonesia. The Chairman visited Algeria, Tunisia, Spain and Senegal from 1 to 8 May; the Philippines, Thailand, Cambodia and Australia between 4 and 14 October and the Libyan Arab Jamahiriya, the Islamic Republic of Iran and Switzerland from 4 to 10 December. The outcome of the Chairman's visits has been reflected in great detail in his briefings given to the Security Council every 120 days (S/PV.4976 and Corr.1 of 25 May 2004, S/PV.5031 of 13 September and S/PV.5104 of 17 December 2004). On 12 January 2004 the Chairman briefed the Council pursuant to paragraph 9 of resolution 1455 (2003) (S/PV.4892 and Corr.1).

26. The visits were undertaken with the aim of enhancing the full and effective implementation of the sanctions measures and encouraging Member States to comply fully with all relevant Security Council resolutions. Another purpose was to demonstrate to Member States in general and the selected countries in particular the importance that the Council places on the implementation of its counter-terrorist measures. The visits provided the Chairman with an opportunity to directly discuss with ministers and senior officials of the selected countries their experiences in implementing the measures imposed by the Council, including the successes and challenges, and their need for assistance.

27. At all meetings the Chairman took the opportunity to explain the work of the Committee and to emphasize that the visits should not be perceived as inspections or criticism, but as a means of increasing dialogue and understanding better the concerns of Member States. The Chairman also stressed the need for States to submit more names for inclusion in the Committee's list. The Chairman, based on his visits, forwarded the following concrete recommendations to the Committee and the Security Council, some of them falling outside their respective mandates, but nonetheless important for the implementation of sanctions overall:

(a) A system of consultations between Member States submitting names for inclusion in the Committee's list should be encouraged. It was also suggested that the Committee should make wider use of pre-notifications;

(b) Cooperation between Member States should be furthered and the level of information-sharing increased. Consideration should be given to whether the Committee and the Monitoring Team can play a role in advancing information-sharing;

(c) In counter-terrorism efforts, there should be continued awareness on avoiding a North-South divide;

(d) There is a need for a dialogue between cultures that will further tolerance and mutual understanding; the fight against terrorism should address such issues as poverty reduction, employment and education;

(e) There continues to be a need for assistance in a number of countries and the Security Council should work with the Director of the Counter-Terrorism Committee Executive Directorate to strengthen the capacity of the Committee in this field;

(f) States are already working to implement reporting requirements for trans-border cash currency transfers, a development that should be encouraged;

(g) The system seen in some countries visited of requiring non-governmental organizations, charities and other organizations to maintain records for six years could serve as a model to be followed by other States;

(h) Awareness should be raised of terrorist activities financed through kidnappings, commercial enterprises used for raising or transmitting funds and other criminal activities linked to terrorism;

(i) The Committee may wish to consider how asylum law affects the sanctions against Al-Qaida and the Taliban, taking into consideration Security Council resolution 1566 (2004);

(j) More should be done to limit terrorist propaganda and the Committee should consider whether it could play a role in that regard;

(k) A perception of double standards in the fight against terrorism must be addressed; it should be clear to all that terrorism can never be accepted, regardless of the underlying causes;

(l) The Committee should continue to consider how the problem of terrorist financing through the cultivation, smuggling and trade in narcotics can be addressed;

(m) The deficiencies in the Committee's list and recommendations provided by the Monitoring Team and Member States should be acted upon;

(n) The Committee should continue to address concerns regarding the transparency of its work and the human rights implications of the sanctions measures;

(o) The Chairman and members of the Committee should continue to visit selected States.

VI. Future work of the Committee and issues pending

28. As one of its first tasks in the new year, the Committee will consider follow-up action suggested by the Monitoring Team in its second report, submitted on 15 December. The Committee will also conclude matters not finalized in 2004, including primarily the Committee's revised guidelines. Pursuant to paragraph 11 of resolution 1526 (2004), Member States have an opportunity, at the Committee's request, to send representatives to meet with the Committee for more in-depth discussion of relevant issues. Throughout 2004, no Member States availed themselves of this opportunity, despite the Chairman's frequent appeals to States to do so. However, one meeting with a Member State has already been planned for early 2005 and the Committee will strive to build on it to convene more meetings with interested Member States. Such meetings, and the visits of the Chairman to selected States, are an important element in the Committee's work, as they allow the members to better understand how Member States implement the sanctions measures.

VII. Observations and conclusions

29. The Committee in 2004 moved to a qualitatively higher level in implementing its mandate, in particular in monitoring the implementation of the sanctions measures by States. Several factors have contributed to this: (a) the new, more demanding conceptual and substantive framework set out by the Security Council in its resolution 1526 (2004); (b) the establishment and performance of a strengthened, professionalized expert monitoring body — the Monitoring Team; (c) the increased dialogue of the Committee with Member States through the Chairman's visits to selected countries and his subsequent briefing of the Committee, the Security Council and the mass media and his briefing of the Council every 120 days and briefing of Member States at public meetings; (d) enhanced cooperation with the Counter-Terrorism Committee, in particular at the expert level; and (e) increased contacts with relevant specialized international bodies such as Interpol.

30. The role of the Monitoring Team in further advancing the efficiency of the Committee's work cannot be stressed too much. The Coordinator of the Team and its members have established close working relations with the Committee and its Chairman based on full respect for their respective complementary mandates. The insights, advice and other assistance constantly provided by the Team to the Committee have proven to be essential to the Committee, enabling it to consider and act upon a number of important issues before it in a more substantive and profound manner. The Committee has also noticed that States, either in their capitals or through their permanent missions in New York, highly appreciate the frequent informal contacts that the Monitoring Team has instituted with them, both as a major tool for advancing its work and for the overall implementation of sanctions. The Monitoring Team has also constantly kept the Committee informed of its travel plans and the outcome of visits to a great number of States, international organizations and specialized conferences or other events. The practice of forwarding informative visit reports shortly after the completion of such trips has been found to be very beneficial by all members of the Committee.

31. The Committee has made a tangible contribution to the fight against terrorism during the past two years through the tool of sanctions implementation, thanks in

particular to the exceptionally devoted proactive chairmanship provided by Chile, first by Ambassador Juan G. Valdes and for the remaining period of 20 months by Ambassador Heraldo Muñoz. Ambassador Muñoz, in addition to his many functions as representative of his country on the Security Council, has worked tirelessly and creatively to enhance the quality of the work of the Committee and for the recognition and importance of its work, including through the mass media. He has gained well-deserved respect among Member States for enhancing the transparency of the work of the Committee and for its focus on concrete objectives, with a view to achieving added-value results. He has wisely determined that much of the work should be performed at informal meetings of the Committee to allow for enough flexibility in convening them and the free exchange of views, without a record. On 17 December 2004, when Ambassador Muñoz was providing his last 120-day briefing, all members of the Council paid tribute to him for the results the Committee had achieved under his leadership.

32. The forthcoming months of 2005 will be very important for the Committee in its efforts to consolidate and further develop all that has been achieved with respect to Al-Qaida and Taliban sanctions implementation. Even at this stage, based on the recommendations contained in the two reports submitted by the Monitoring Team, it is clear that there is a need for further fine-tuning of the current sanctions measures in order to provide Member States with an accurate tool allowing them to enhance their counter-terrorist measures. It is also evident that new complementary measures might need to be adopted to fill in any possible loopholes or uncovered areas. The Committee is also very hopeful that, in the absence of any new universal reporting or in addition to the previous one, the dialogue envisaged in paragraph 11 of resolution 1526 (2004) will fully develop into a flexible instrument allowing both States and the Committee to reach each other in their efforts to share information and to improve the practical implementation of the sanctions measures, as well as providing a forum for suggesting new ideas for further improvements. The first step in this direction is the written assessment by the Committee of the reports received pursuant to resolution 1455 (2003), which was prepared with the assistance of the Monitoring Team, providing feedback to Member States on their reporting.

Appendix

Changes made in the consolidated list of individuals and entities belonging to or associated with Al-Qaida and the Taliban in 2004

A. Individuals added

Date	*Name*	*Press release*
16 January	Sulaiman Jassem Sulaiman Abo Ghaith Jamel Lounici	SC/7983/Rev.1 22 January 2004
24 February	Shaykh 'Abd-al-Majid Al-Zindani	SC/8014 27 February 2004
17 March	Moustafa Abbes Youcef Abbes Abd Al Wahab Abd Al Hafiz Farid Aider Othman Deramchi Ali El Heit Fethi Ben Hassen Haddad Abderrahmane Kifane L'Hadi Bendebka Yacine Ahmed Nacer	SC/8029 18 March 2004 (as amended on 26 November 2004 — SC/8259 of 6 December 2004)
3 May	Hacene Allane Kamel Djermane Dhou El-Aich Ahmad Zerfaoui	SC/8084 4 May 2004
23 June	Mohamed Ben Mohamed Abdelhedi Kamel Darraji Mohamed El Mahfoudi Imed Ben Bechir Jammali Habib Ben Ahmed Loubiri Chabaane Ben Mohamed Trabelsi	SC/8135 25 June 2004
6 July	Aqeel Abdulaziz Al-Aqil Hassan Abdullah Hersi Al-Turki	SC/8143 8 July 2004
28 September	Suliman Al-Buthe	SC/8200 28 September 2004
22 December	Khadafi Abubakar Janjalani	SC/8279 23 December 2004
23 December	Saad Rashed Mohammad Al-Faqih Adel Abdul Jalil Batterjee	SC/8280 23 December 2004

B. Entities added

Date	*Name*	*Press release*
26 January	Al-Haramain Foundation (Indonesia) Al-Haramayn Foundation (Kenya) Al-Haramayn Foundation (United Republic of Tanzania) Al-Haramain Foundation (Pakistan)	SC/7991 28 January
11 May	Al Furqan Taibah International-Bosnia Offices	SC/8091 13 May
28 June	Al-Haramain and Al Masjed Al-Aqsa Charity Foundation	SC/8139 29 June
6 July	Al-Haramain (Afghanistan branch) Al-Haramain (Albania branch) Al-Haramain (Bangladesh branch) Al-Haramain (Ethiopia branch) Al-Haramain (Netherlands branch)	SC/8143 8 July
28 September	Al-Haramain Foundation (Comoros) Al-Haramain Foundation (United States of America)	SC/8200 28 September
18 October	Jama'at al-Tawhid wa'al Jihad	SC/8219 18 October

C. Individual removed

Date	*Name*	*Press release*
23 December	Shadi Mohamed Mustafa Abdalla	SC/8280 23 December